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Legislative Oversight Committee

**Monday, April 26, 2021
2:00 pm Blatt Room 110**

Archived Video Available

- I. Pursuant to House Legislative Oversight Committee Rule 6.7, South Carolina ETV was allowed access for streaming the meeting. You may access an archived video of this meeting by visiting the South Carolina General Assembly's website (<http://www.scstatehouse.gov>) and clicking on *Committee Postings and Reports*, then under *House Standing Committees* click on *Legislative Oversight*. Then, click on *Video Archives* for a listing of archived videos for the Committee.

Attendance

- I. The Healthcare and Regulatory Subcommittee meeting was called to order by Chair John Taliaferro (Jay) West on Monday, April 26, 2021, in Room 110 of the Blatt Building. All members were present for all or a portion of the meeting. Representatives Gil Gatch and Timothy A. (Tim) McGinnis participated virtually in the meeting.

Minutes

- I. House Rule 4.5 requires standing committees to prepare and make available to the public the minutes of committee meetings, but the minutes do not have to be verbatim accounts of meetings.

Approval of Minutes

- I. Representative Henderson-Myers makes a motion to approve the meeting minutes from the April 19, 2021, meeting. A roll call vote was held, and the motion passed.

Rep. Henderson-Myers motion to approve the April 19, 2021, meeting minutes.	Yea	Nay	Not Voting
Rep. Gatch	✓		
Rep. Henderson-Meyers	✓		
Rep. McGinnis	✓		
Rep. West	✓		

Discussion of Department of Health and Human Services

- I. Chair West places the following under oath: Mr. Robert M. Kerr, Director, Ms. Deirdra Singleton, Deputy Director for Administration and Chief Compliance Officer; Mr. Mike Targia, Director of Audits; Mr. Larry Overbaugh, Surveillance and Utilization Review Manager.

Chair West reminds Mr. T. Phillip Clark, Chief Financial Officer; Ms. Jenny Stirling, Deputy Chief of Staff for Legislative Affairs, that she remains under oath.

- II. Director Kerr provides brief comments to the subcommittee about his initial objectives as a newly appointed agency head. These include addressing staffing needs and assessing agency performance measures.
- III. Deputy Director Singleton provides an overview of the agency's program integrity unit. Topics discussed include:
- a. reminder of agency's purpose;
 - b. reminder of agency's strategic plan;
 - c. related agency deliverables that align with program integrity;
 - d. related performance measures from fiscal year 2019-2020;
 - e. department turnover data;
 - f. related state and federal laws;
 - g. department cost;
 - h. department employee satisfaction;
 - i. program integrity structure and scope: organizational chart
 - j. stewardship and return on investment;
 - k. scope: what program integrity does and does not do:
 - l. partnerships;
 - m. fraud v. waste or abuse;
 - n. types of fraud;
 - o. provider fraud;

- p. common provider schemes;
- q. examples of provider waste and abuse;
- r. recipient fraud;
- s. identifying fraud, waste and abuse;
- t. document and record collection;
- u. managed care organization's role;
- v. credible allegation of fraud;
- w. surveillance utilization and review;
- x. prepayment review;
- y. pharmacy lock-in program;
- z. sanctions;
- aa. sanctions criteria;
- bb. types of sanctions – abuse;
- cc. types of sanctions – crime;
- dd. provider fraud, waste, and abuse data;
- ee. top five specialties based on overpayments identified;
- ff. top ten individual provider cases identified overpayments;
- gg. provider fraud, waste, and abuse cases opened – eight-year trend;
- hh. provider fraud, waste, and abuse recovered funds – eight-year trend;
- ii. recipient fraud, waste, and abuse data;
- jj. recipient fraud, waste, and abuse cases opened – eight-year trend;
- kk. recipient fraud, waste and abuse fraud, waste, and abuse recovered eight-year trend;
- ll. South Carolina total recovered funds;
- mm. cost avoidance;
- nn. focus on cost avoidance;
- oo. provider and recipient fraud cost avoidance;
- pp. COVID-19 impact;
- qq. Outlook;
- rr. Reporting fraud.

IV. Subcommittee members ask questions relating to the following:

- a. agency performance measures and benchmarking with other states;
- b. staff turnover; filling vacancies; data from recent employee survey;
- c. mechanisms to detect recipient fraud;
- d. provider coding practices and training;
- e. agency practices for detecting services billed for but not provided to recipients;
- f. employee training;
- g. sanctions;
- h. agency strategic plan;
- i. pharmacy lock-in program.

Agency staff respond to the members' questions.

Adjournment

- I. There being no further business, the meeting is adjourned.